

## Approvals of Local Management Entities (LMEs) to Directly Provide Services

Department of Health and Human Services (DHHS) staff has completed a review and made recommendations to the Secretary's LME Service Delivery Waiver Review Panel regarding LMEs who requested to provide one or more of the new enhanced MH/DD/SA services. Under G.S. § 122C-141(a), the Secretary has the authority to grant permission for LMEs to provide specific services. Since the reform legislation directs LMEs to contract for services with other qualified public and private providers and also speaks to consumer choice of provider and fair competition, the Secretary's approval of any waivers is time limited and specific. An example of the notification letter is attached.

Decisions on LME Service Delivery Waivers were made in two basic categories:

1. In many cases, LMEs were approved to provide services only for a very short period (through June 30, 2006 or earlier) in order to complete full divestiture and to provide for an orderly transition of consumers and staff to other providers.
2. In other catchment areas, data on the endorsement of private providers indicates a gap between the number of providers necessary to meet the service needs of consumers and the number of providers actually endorsed to provide the service. The explanations for these gaps vary across the State. In those cases, LMEs have been approved to provide the identified services through no later than December 31, 2006 in order to develop community capacity.

The Department is requesting further assistance from the provider community to address the identified gaps in community capacity in those catchment areas in which LME service delivery has been approved beyond June 30, 2006. Interested providers should contact the LMEs and advise them of their interest in providing services. If you have expressed interest before and were not successful, we encourage you to continue the process by contacting DMH/DD/SAS and/or DMA directly. Department staff will be assigned to work directly with the LME and the providers to develop the needed capacity. While it will likely be unnecessary, the Department is prepared to directly endorse providers on behalf of a given LME. DHHS will institute additional intervention in LME catchment areas where there is evidence that private provider capacity is not being adequately fostered and developed.

<b>LME</b>	<b>SERVICE WAIVER APPROVAL</b>	<b>EXPIRATION DATE OF WAIVER*</b>
Alamance-Caswell	Assertive Community Treatment Team Diagnostic Assessment	June 30, 2006
Albemarle	Community Support Adult Community Support Child Diagnostic Assessment Targeted Case Management	December 31, 2006

Cumberland	Community Support Adult Community Support Child Diagnostic Assessment Substance Abuse Intensive Outpatient Program Psychosocial Rehabilitation Assertive Community Treatment Team Facility Based Crisis Non-Hospital Medical Detox	June 30, 2006
Eastpointe	Facility Based Crisis	June 30, 2006
Edgecombe-Nash	Diagnostic Assessment for Substance Abuse	December 31, 2006
Foothills	Community Support Child Diagnostic Assessment/Deaf and Sexual Abuse and Intervention Services Targeted Case Management Facility Based Crisis/Detox CAP-MR/DD Waiver Services	June 30, 2006 June 30, 2006  December 31, 2006 June 30, 2006 December 31, 2006
Guilford	Community Support Adult Community Support Child Community Support Team Assertive Community Treatment Team CAP-MR/DD Waiver Services Diagnostic Assessment	June 30, 2006 June 30, 2006 December 31, 2006 December 31, 2006 December 31, 2006 December 31, 2006
Johnston	Community Support Adult Community Support Child Diagnostic Assessment Psychosocial Rehabilitation	December 31, 2006 June 30, 2006 June 30, 2006 June 30, 2006
Mecklenburg	Community Support Adult Community Support Child Targeted Case Management	December 31, 2006 December 31, 2006 December 31, 2006

New River	Community Support Adult Community Support Child Community Support Team Mobile Crisis Diagnostic Assessment Intensive In-Home Services Assertive Community Treatment Team Psychosocial Rehabilitation Targeted Case Management	December 31, 2006
Onslow/Carteret	Community Support Adult Community Support Child Community Support Team Diagnostic Assessment Intensive In-Home Multi-Systemic Therapy Non-Hospital Medical Detox Substance Abuse Intensive Outpatient Program Targeted Case Management Facility Based Crisis CAP-MR/DD Waiver Services	December 31, 2006
OPC	Community Support Adult Community Support Child Community Support Team Diagnostic Assessment Assertive Community Treatment Team Psychosocial Rehabilitation Targeted Case Management	June 30, 2006
Pathways	Community Support Adult Community Support Child Community Support Team Diagnostic Assessment Mobile Crisis Management	June 30, 2006
Roanoke- Chowan	Community Support Adult Community Support Child Diagnostic Assessment	December 31, 2006 June 30, 2006 December 31, 2006
Sandhills	Day Treatment (Child) Community Support Adult Community Support Child Diagnostic Assessment Targeted Case Management	June 30, 2006
Smoky Mountain	Facility Based Crisis	December 31, 2006
Southeastern	Facility Based Crisis	December 31,

Center	Non-Hospital Medical Detox Substance Abuse Intensive Outpatient Program	2006 December 31, 2006 June 30, 2006
Southeastern Regional	Psychosocial Rehabilitation Assertive Community Treatment Team Facility Based Crisis Mobile Crisis Management	June 30, 2006 June 30, 2006 December 31, 2006 December 31, 2006
Tideland	Diagnostic Assessment Psychosocial Rehabilitation (Tyrell Co.)	December 31, 2006
Wake County Human Services	Ambulatory Detox Assertive Community Treatment Team Community Support Adult Community Support Child Diagnostic Assessment Medically Supervised Detox/Crisis Stabilization Partial Hospitalization Psychosocial Rehabilitation Substance Abuse Comprehensive Outpatient Treatment Substance Abuse Intensive Outpatient Program Targeted Case Management Inpatient Hospitalization Substance Abuse	June 30, 2006
Wilson-Greene	Diagnostic Assessment for Substance Abuse	December 31, 2006
* A single date designates the expiration date for all services listed		

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Michael F. Easley, Governor  
Carmen Hooker Odom, Secretary

Michael Moseley, Director

March 17, 2006

LME Director

Dear \_\_\_\_\_:

We have received a number of applications from Local Management Entities (LMEs) requesting consideration of a waiver to provide the new enhanced benefit services for MH/DD/SAS. Thank you for submitting an application on behalf of \_\_\_\_\_.

The submission of these waiver applications set into motion two processes: first, a series of reviews by DMH/DMA staff to determine if there was substantial justification for the managing entity to continue service provision; and secondly, a readiness review by DMH staff using statewide criteria that is parallel to the one used by LMEs to endorse private providers.

The LME waiver request and service endorsement process began with the submission of applications and supporting documentation. The documentation included a justification for the waiver request by identifying community capacity development, divestiture plans, endorsement data, CFAC and Area Board involvement, and consumer choice practices. In an effort to process the waiver requests, summary sheets were developed noting the service end-dates identified by the LME and the justification. The summary sheets were presented to review staff in DMH and DMA along with considerations of the administrative issues impacting the LME in addition to any information available on provider complaints. The management review resulted in recommendations to the Secretary's LME Service Delivery Waiver Board specific to each LME.

The Board is chaired by the Secretary of the Department of Health and Human Services, Carmen Hooker Odom. The membership includes Assistant Secretary Dan Stewart, Assistant Secretary Allyn Guffey, Assistant Secretary Allen Dobson, M.D., Mark Benton and Dr. William Lawrence from DMA and Mike Moseley and Leza Wainwright from DMH/DD/SAS. The Board concluded their review of the individual waiver requests on Friday, March 10, 2006.

DMH staff concluded the service specific review to verify the readiness of the program based upon conditional endorsement standards on \_\_\_\_\_.

In approving LMEs to deliver services the Board reviewed data on the number of private providers that have been endorsed to provide services in the LME's catchment area. In cases where data indicates sufficient private provider capacity, LMEs were approved to provide services only for a short period of time – through no later than June 30, 2006 – in order to allow for a smooth transition for consumers and LME staff. In other catchment areas, data on endorsement of private providers indicates a gap between the number of providers necessary to



meet the service needs of consumers and the number of providers endorsed to provide the service. The reasons these gaps have occurred vary throughout the state. In these catchment areas, LMEs have been approved to provide the identified services through no later than December 31, 2006 in order to develop community capacity.

Following these criteria, the Secretary has requested that I notify you that the \_\_\_\_\_ has been approved to provide the following services for the specific timeframes noted below.

SERVICE	***EXPIRATION DATE OF WAIVER

\*\*\*LMEs that are approved to provide services beyond 6/30/06 must enroll with DMA to receive new provider numbers. LME service provision with expiration dates of 6/30/06 or before will not require the new site/service specific direct enrollment with DMA.

The DHHS is committed to ensuring consumers have a wide choice of providers through the development of private provider capacity. To assist in that process, the Department will post on the DMH and DMA websites those LMEs that have been approved to provide services, and will use this site to request the input and assistance of the provider community on the identified gaps in community capacity. Both websites should be up and operational by Monday, March 20, 2006. By working together, I am confident that our service system will be able to offer consumers a choice of high quality services.

If you have questions regarding this process, the services and/or expiration dates please contact Dick Oliver, DMH, at [Dick.Oliver@ncmail.net](mailto:Dick.Oliver@ncmail.net) or Tara Larson, DMA, at [tara.larson@ncmail.net](mailto:tara.larson@ncmail.net).

Sincerely,

Mike Moseley

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cc: Secretary Carmen Hooker Odom  
Allen Dobson, M.D.  
Allyn Guffey  
Dan Stewart  
DMH/DD/SAS Executive Leadership Team  
Christina Carter

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